

 <p>Financial Assistance Award</p> <p>DENALI COMMISSION 510 L Street, Suite 410 Anchorage, Alaska 99501 (907) 271-1414 (phone) (907) 271-1415 (fax) www.denali.gov</p>		Award Number	01016-00																																																																														
		Award Title	St. George High Penetration Wind Diesel																																																																														
		Performance Period	August 1, 2008 through December 31, 2011																																																																														
Authority 112 Stat 1854		CFDA Number 90.100		Recipient Organization & Address Alaska Energy Authority 813 West Northern Lights Blvd. Anchorage, AK 99503																																																																													
Denali Commission Finance Officer Certification		Jennifer Price 09/04/2008		Phone: 907-771-3000 Recipient DUNS # 054072608 TIN # 926001185																																																																													
Cost Share Distribution Table																																																																																	
<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th rowspan="2">Accounting Code</th> <th colspan="2">New Funding</th> <th colspan="2">Prior Period Funding</th> <th rowspan="2">Total</th> </tr> <tr> <th>Denali Commission</th> <th>Other Contributors</th> <th>Denali Commission</th> <th>Other Contributors</th> </tr> </thead> <tbody> <tr> <td>95670000AL</td> <td>\$1,000,000.00</td> <td></td> <td>\$0.00</td> <td></td> <td>\$1,000,000.00</td> </tr> <tr> <td></td> <td>\$0.00</td> <td></td> <td>\$0.00</td> <td></td> <td>\$0.00</td> </tr> <tr> <td></td> <td>\$0.00</td> <td></td> <td>\$0.00</td> <td></td> <td>\$0.00</td> </tr> <tr> <td></td> <td>\$0.00</td> <td></td> <td>\$0.00</td> <td></td> <td>\$0.00</td> </tr> <tr> <td></td> <td>\$0.00</td> <td></td> <td>\$0.00</td> <td></td> <td>\$0.00</td> </tr> <tr> <td>APICDA</td> <td></td> <td>\$1,000,000.00</td> <td></td> <td>\$0.00</td> <td>\$1,000,000.00</td> </tr> <tr> <td></td> <td></td> <td>\$0.00</td> <td></td> <td>\$0.00</td> <td>\$0.00</td> </tr> <tr> <td></td> <td></td> <td>\$0.00</td> <td></td> <td>\$0.00</td> <td>\$0.00</td> </tr> <tr> <td></td> <td></td> <td>\$0.00</td> <td></td> <td>\$0.00</td> <td>\$0.00</td> </tr> <tr> <td></td> <td></td> <td>\$0.00</td> <td></td> <td>\$0.00</td> <td>\$0.00</td> </tr> <tr> <td>Total</td> <td>\$1,000,000.00</td> <td>\$1,000,000.00</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$2,000,000.00</td> </tr> </tbody> </table>						Accounting Code	New Funding		Prior Period Funding		Total	Denali Commission	Other Contributors	Denali Commission	Other Contributors	95670000AL	\$1,000,000.00		\$0.00		\$1,000,000.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	APICDA		\$1,000,000.00		\$0.00	\$1,000,000.00			\$0.00		\$0.00	\$0.00			\$0.00		\$0.00	\$0.00			\$0.00		\$0.00	\$0.00			\$0.00		\$0.00	\$0.00	Total	\$1,000,000.00	\$1,000,000.00	\$0.00	\$0.00	\$2,000,000.00
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Signature of Authorized Official - Denali Commission Electronically Signed		Typed Name and Title George Cannelos Federal Co-Chair		Date 09/04/2008																																																																													

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AWARD CONDITIONS

1. Scope of Work

This award of \$1,000,000 is for the construction of a 225 kW wind energy project in the City of St. George, Alaska Energy Authority (AEA) project number 410014. The project is envisioned to be a high penetration wind-diesel hybrid system with potential for thermal recovery to heat schools, community buildings, and other large buildings. The City has engaged TDX Power to assist in the operations and maintenance of the hybrid system but there is no formal agreement yet that is authorized by the City Council. This agreement with the City must be formalized prior to expenditure of any Denali Commission funding.

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2. Milestones

The following milestones are identified as the major steps to be completed as part of the project. "Planned" dates for the first milestone are included here. As part of each progress report, recipients shall update the progress toward meeting these milestones (see section 7, Reporting).

Milestone	Planned Start Date	Planned End Date	Actual Start Date	Actual End Date	Units	Total Cost at Completion
In-Progress	08/01/2008	09/30/2011	mm/dd/yyyy	mm/dd/yyyy	nn	\$
Project Close-out	10/01/2011	12/31/2011	mm/dd/yyyy	mm/dd/yyyy	nn	\$

3. Award Performance Period

The Award performance period is August 1, 2008 through December 31, 2011. This is the period during which Award recipients can incur obligations or costs against this Award.

4. Direct and Indirect Costs

The cost principles of OMB A-87 are applicable to this Award. The direct costs of AEA personnel time devoted to and identified on their timesheets for the performance of the project management of the project scope, under Section 1 of this Award, are allowable. Also allowed are such supported, direct project management costs as travel and contract work. AEA will receive a separate Award for their overall Denali Commission program management efforts, allowing up to 3% of the total Commission funding for all awards for this project and all newly funded projects in future. That administrative award for program management is to pay the direct cost of AEA personnel time or contractors devoted to and identified on their timesheets for administration of Commission projects, as further defined in the 2008-2009 MOA between Denali Commission and AEA. Please refer to the cost principles regulations for specific details on other allowable charges under this Award.

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5. Budget and Program Revisions

The Administrative Circular, OMB A-102, applies to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The Administrative Circular requires that Alaska Energy Authority will inform the Commission in writing (e-mail, letter, or report) at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions.

6. Payments

Payments under this Award will be made by electronic transfer in response to a "Request for Advance or Reimbursement", Standard Form 270 (SF-270) submitted by the Alaska Energy Authority. Requests for reimbursements may be made as needed or at the end of each quarter but should be submitted no later than 30 days after the federal quarter. No form need be filed for quarters where there is not funding needed. The SF-270 must be submitted to the Denali Commission via fax, e-mail (finance@denali.gov) or mail in order for payment to be processed. The form is available on the OMB website: http://www.whitehouse.gov/OMB/grants/grants_forms.html. Payments shall be made in accordance with OMB Circular A-102. Please contact the Denali Commission's Finance Specialist at (907) 271-1414 for further information about submitting this form. No interest will be accrued on these funds.

7. Reporting

Two forms of project reporting are required under this Award, listed below. Alaska Energy Authority shall submit reports using the Denali Commission's on-line Project Database System, available at <http://www.denali.gov/>. If there are technical limitations which may prevent the recipient from meeting this requirement, please contact the Program Manager listed in this agreement.

- a. Progress Reports shall be submitted on a quarterly basis. The first reporting period is 08/01/2008 to 09/30/2008, and quarterly thereafter. Reports are due within 30 days of the end of the reporting period. Progress reports shall include the following:
 - i. Total project funding, including both Denali Commission funding and other project funding sources.
 - ii. The total project expenditures for the project as of the end of the reporting period, including both Denali Commission and Other funding sources.
 - iii. Updated schedule and milestone information as identified in the Scope of Work
 - iv. Narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems.
 - v. Photographic documentation of project progress shall be provided with the progress reports for active construction projects. The photo documentation shall include a minimum of three, dated photos per reporting period such that a complete record of the construction is maintained over time, from "before," showing the situation before the start of construction, to "during" showing work proceeding on the project, and "after" to show the finished project. Photos shall be provided in a digital format as part of the on-line report. A short description of the activity and names of those in the photos shall also be provided.
- b. Federal Single Audits shall be submitted annually, when required. In accordance with OMB Circular A-133, which requires [subpart 200] "Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with

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the provisions of this part [subpart 205]. The determination of when an award is expended should be based on when the activity related to the award occurs."

Recipients shall also submit single audits to the Federal Clearinghouse as designated by OMB. Information can be found on the following web-site: <http://harvester.census.gov/sac/>

8. Project/Award Close-Out

The project close-out report shall be completed within 90 days of the end of the Award performance period or within 90 days of the completion of the project, whichever is earlier. Recipients must also draw down any remaining funds for expenditures incurred under this award during this 90-day period.

The project close-out report shall be submitted on-line through the Denali Commission's on-line Project Database System, available at <http://www.denali.gov/>. The project close out will require the recipient to submit the following information:

- a. Final data for each item listed in paragraph 7(a) "Progress Reports"
- b. Final project expenditures itemized by the following categories: planning & design; materials & equipment; freight; labor; project administration/overhead and other expenses.
- c. Acknowledgement of support: For all construction projects, the Award recipient shall display a sign that acknowledges the Government's support for the project(s) developed under this Award. The Commission will provide an appropriate sign. The Award recipient must request an indoor and/or an outdoor sign from the Commission office. Pickup or delivery of the sign can be arranged at that time.

9. Public Policy Laws and Assurances

Award Recipients are required to comply with the public policy laws and assurances on SF 424d. Some of the laws are highlighted below for your reference.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds.

10. Non-Compliance with Award Conditions

Recipients not in compliance with the terms and conditions of this Financial Assistance Award will be notified by the Denali Commission. The Denali Commission will work with the recipient to identify the steps necessary to bring them back into compliance, and will establish an appropriate time frame for the corrections to be made. If the corrections have not been made by the deadline, the Denali Commission reserves the right to either suspend or unilaterally terminate the Financial Assistance Award for non-performance.

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11. Program Manager, Financial Manager & Other Contact Information

Denali Commission	Alaska Energy Authority
Kathy Prentki Program Manager 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-1441 Fax: 907-271-1415 E-mail: kprentki@denali.gov	Chris Mello 813 W. Northern Lights Blvd. Anchorage, AK 99503 Phone: (907) 269-4649 Fax : (907) 269-3044 E-mail: cmello@aidea.org
Mariah McNair Grants Specialist 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-2367 Fax: 907-271-1415 E-mail: mmcnair@denali.gov	Amy McCollum 813 W. Northern Lights Blvd. Anchorage, AK 99503 Phone: (907) 269-4629 Fax : (907) 269-3044 E-mail: amccollum@aidea.org

12. Other project specific requirements

The 2008-2009 Denali Commission-AEA Memorandum of Agreement requires that AEA participate in Commission committees and workgroups as available, as well as to participate in biannual meetings to share lessons learned and best practices. Another biannual meeting focus is reporting on the measureable improvements brought about as a result of the Commission's Energy Program and development of program evaluation metrics.

To the maximum extent practicable, considering applicable laws, Funding Recipients shall accomplish the project contemplated by the Award using local Alaska firms and labor.